

ACCOUNTING SYSTEM AND FINANCIAL CAPACITY QUESTIONNAIRE

This is the standard form to be used in order to determine the financial capacity of grant applicants. This form is to help the agency comply with Office of Grants Management Policy 08-06, Financial Review of Nongovernmental Grantees.

This form should be used for nongovernmental applicant agencies that: are requesting, or will receive, more than \$25,000 for the grant period.

SECTION A: APPLICANT INFORMATION		
1. Organization Name and Address	2. Employer Identification Number	3. Number of Employees Full Time: Part Time:
4. When did the applicant receive its 501(c) 3 status? (MM/DD/YYYY)?		
5. Is the applicant affiliated with or managed by any other organizations (Ex. regional or national offices)? <input type="checkbox"/> YES <input type="checkbox"/> NO If "Yes," provide details: 5b. Does the applicant receive management or financial assistance from any other organizations? <input type="checkbox"/> YES <input type="checkbox"/> NO If "Yes," provide details:		6a. Total revenue in most recent accounting period (12 months). 6b. How many different funding sources does the total revenue come from (please give a number)?
7. Does the applicant have written policies and procedures for the following business processes? <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> a. Accounting <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure b. Purchasing <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure c. Payroll <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure </div> <div style="width: 65%;"> If yes please attach a copy of the table of contents If yes please attach a copy of the table of contents If yes please attach a copy of the table of contents </div> </div>		
SECTION B: ACCOUNTING SYSTEM		
1. Which of the following best describes the accounting system? <input type="checkbox"/> Manual <input type="checkbox"/> Automated <input type="checkbox"/> Combination		
2. Does the accounting system identify the deposits and expenditures of program funds for each and every grant separately?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
3. Are time studies conducted for an employee(s) who receives funding from multiple sources?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure <input type="checkbox"/> No Multiple Sources
4. Does the accounting system have a way to identify over spending of grant funds?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
5. If grant funds are mixed with other funds, can the grant expenses be easily identified?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
SECTION C: FINANCIAL INFORMATION		
1. Did an independent certified public accountant (CPA) ever examine the organization's financial statements?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
2. What is the current amount of unrestricted funds? \$		
3. Has the organization incurred any large or unusual debt in the last 6 months?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
4. What was the reason for the new debt?		
5. What is the funding source for paying back the new debt?		
SECTION D: LEGAL INFORMATION		
1. Are there any current or pending lawsuits against the organization?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
2. If so, would there be an impact on the organization's financial position?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
3. Has the organization lost any funding due to accountability issues, misuse, or fraud?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
4. Are the officials of the organization bonded?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure
5. If so, please explain the circumstances, including when the issue happened, what preventative steps have been taken, etc.		
SECTION E: CERTIFICATION		
I certify that the above information is complete and correct to the best of my knowledge.		
1. Signature	2. Date / /	
3. Title		

Accounting System and Financial Capacity Questionnaire

****Instructions****

This form should be completed by someone in the organization who is knowledgeable about the accounting system and processes for accounting for grants, for example, the finance manager or CFO.

This form has two purposes:

- It is a standard form used to determine the capacity of the accounting system and financial capability of all nongovernmental grant applicants that are applying to receive at least \$25,000. It will help us assess whether your organization is likely to need additional technical assistance to properly administer grant funds.
- It helps us comply with the Minnesota Office of Grant Management's Policy 08-06, which requires a review of the applicant's financial status before we award a grant of at least \$25,000 to any nongovernmental organization.

Your organization will not be excluded from receiving funding based solely on the answers to the questions on the form.

Section A: Applicant Information

Enter the indicated information about the organization.

Section B: Accounting System

Enter the indicated information about the accounting system of the organization (or the accounting system of the fiscal agent if appropriate).

Section C: Financial Information

Enter the indicated information. Governmental agencies and tribal governments do not need to complete this section or include financial information in their applications.

The types of documents we need to review for other types of organizations depends on the size of the applicant's budget:

- Applicants that are new (in existence less than one year) or have an annual income under \$25,000 must submit their most recent board reviewed financial statements.

- Applicants that have an annual income under \$750,000 must submit their most recent IRS form 990.
- Applicants that have an annual income over \$750,000 must submit their most recent certified financial audit.

Provide any information on any new debt that has been incurred in the last six months, such as a new mortgage or line of credit. Please describe why the debt was incurred and information on how the debt will be repaid.

Include the amount of unrestricted funds available as of your last Board approved monthly financial statement.

Section D: Legal Information

Provide information on any current litigation and any financial impact it could have on the organization. Please indicate if the officials of the organization are bonded. If your organization has lost funding due to lack of capacity to administer the funds, theft, or misuse, please provide a narrative of the situation and steps that have been taken to strengthen your capacity and/or processes to avoid the problem in the future.